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富景農業

Fujing Holdings Co., Limited
富景中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2497)

ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

- Revenue for FY2025 increased by approximately 4.8% to approximately RMB191.0 million from approximately RMB182.2 million for FY2024.
- The Group recorded a gross profit of approximately RMB84.5 million for FY2025, as compared with a gross profit of approximately RMB77.3 million for FY2024.
- Net profit for FY2025 was approximately RMB63.4 million, as compared with the Group's net profit amounting to approximately RMB51.8 million for FY2024.
- The Board does not recommend the payment of final dividends in respect of FY2025 (FY2024: nil).

The board (the “**Board**”) of directors (the “**Directors**”) of Fujing Holdings Co., Limited (the “**Company**”, together with its subsidiaries, the “**Group**”), is pleased to present the audited consolidated financial results of the Group for the year ended 31 December 2025 (the “**Reporting Period**” or “**FY2025**”), together with the comparative figures for the year ended 31 December 2024 (“**FY2024**”). The annual results of the Company for FY2025 had been reviewed by the audit committee of the Company (the “**Audit Committee**”).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	2025			2024		
		Results before biological assets fair value adjustments RMB'000	Biological assets fair value adjustments RMB'000	Total RMB'000	Results before biological assets fair value adjustments RMB'000	Biological assets fair value adjustments RMB'000	Total RMB'000
Revenue	5	191,026	-	191,026	182,247	-	182,247
Cost of sales		<u>(104,609)</u>	<u>(1,899)</u>	<u>(106,508)</u>	<u>(101,540)</u>	<u>(3,375)</u>	<u>(104,915)</u>
Gross profit		86,417	(1,899)	84,518	80,707	(3,375)	77,332
Other income	6	1,036	-	1,036	1,366	-	1,366
Change in fair value of biological assets		-	1,884	1,884	-	1,899	1,899
Reversal of/(allowance for) expected credit losses (“ECL”) of trade and other receivables		2,117	-	2,117	(4,441)	-	(4,441)
Listing expenses		-	-	-	(8,401)	-	(8,401)
Selling and distribution expenses		(177)	-	(177)	(182)	-	(182)
Administrative and other expenses		<u>(21,898)</u>	<u>-</u>	<u>(21,898)</u>	<u>(14,599)</u>	<u>-</u>	<u>(14,599)</u>
Profit from operations		67,495	(15)	67,480	54,450	(1,476)	52,974
Finance costs	7	<u>(4,095)</u>	<u>-</u>	<u>(4,095)</u>	<u>(1,220)</u>	<u>-</u>	<u>(1,220)</u>
Profit before tax		63,400	(15)	63,385	53,230	(1,476)	51,754
Income tax expense	8	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit for the year	9	63,400	(15)	63,385	53,230	(1,476)	51,754

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the year ended 31 December 2025

		2025			2024		
		Results before biological assets fair value adjustments	Biological assets fair value adjustments	Total	Results before biological assets fair value adjustments	Biological assets fair value adjustments	Total
<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Other comprehensive income/(loss) for the year, net of tax:							
<i>Item that may be reclassified to profit or loss:</i>							
Exchange differences on translating foreign operations	(223)	-	(223)	549	-	549	
Total comprehensive income for the year	63,177	(15)	63,162	53,779	(1,476)	52,303	
Earnings per share (RMB)							
Basic and diluted	<i>11</i>		0.13			0.11	

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2025

		2025	2024
	Notes	RMB'000	RMB'000
Non-current assets			
Property, plant and equipment		337,203	192,080
Investment properties		15,775	16,749
Right-of-use assets		24,392	24,051
Intangible assets		—	—
		<u>377,370</u>	<u>232,880</u>
Current assets			
Biological assets		6,877	6,965
Inventories		167	92
Trade receivables	12	72,439	49,633
Prepayments and other receivables		41,515	76,922
Bank and cash balances		247,616	226,129
		<u>368,614</u>	<u>359,741</u>
Current liabilities			
Trade payables	13	50,291	52,856
Accruals and other payables		6,449	14,512
Amount due to a director		486	30
Bank borrowings	14	125,700	35,000
Lease liabilities		531	382
Deferred income		227	227
		<u>183,684</u>	<u>103,007</u>
Net current assets		<u>184,930</u>	<u>256,734</u>
Total assets less current liabilities		<u>562,300</u>	<u>489,614</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

For the year ended 31 December 2025

		2025	2024
	Notes	RMB'000	RMB'000
Non-current liabilities			
Bank borrowings	14	13,765	5,000
Lease liabilities		4,813	3,827
Deferred income		2,593	2,820
		<u>21,171</u>	<u>11,647</u>
NET ASSETS		<u>541,129</u>	<u>477,967</u>
Capital and reserves			
Share capital	15	36,289	36,289
Reserves		504,840	441,678
TOTAL EQUITY		<u>541,129</u>	<u>477,967</u>

NOTES

1. GENERAL INFORMATION

Fujing Holdings Co., Limited (the “**Company**”) was incorporated and registered as an exempted company in the Cayman Islands with limited liability under the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands on 23 July 2019. The address of its registered office is 89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands and the Company’s principal place of business in Hong Kong is Unit 16, 28/F, One Midtown, 11 Hoi Shing Road, Tsuen Wan, Hong Kong. The Company’s shares have been listed and traded on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 28 March 2024.

The principal activities of its subsidiaries (together with the Company collectively referred to as the “**Group**”) are the cultivation and sales of potted vegetables produce in the PRC, which are cultivated and sold in pots.

In the opinion of the directors of the Company, as at 31 December 2025, Silver Glory Technology Limited, a company incorporated in the British Virgin Islands (the “**BVI**”), is the immediate parent; Trident Trust Company (HK) Limited (as the trustee of a family trust founded by Mr. Zhang Yonggang (“**Mr. Zhang**”) a director of the Company), a company incorporated in Hong Kong, is the ultimate parent.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards (“**HKFRS**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations. These consolidated financial statements also comply with the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and with the disclosure requirements of the Hong Kong Companies Ordinance.

3. ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

(a) Application of new and revised HKFRS Accounting Standards

The Group has applied the following amendments to HKFRS Accounting Standards as issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21 and HKFRS 1 Lack of Exchangeability

There was no material impact to the consolidated financial statements as a result of the adoption of the above standard.

(b) Amendments to HKFRS Accounting Standards in issue but not yet effective

Up to the date of issue of these consolidated financial statements, the HKICPA has issued a number of new standards and amendments to standards and interpretation, which are not effective for the year ended 31 December 2025 and which have not been adopted in these financial statements. The Group's assessment of the impact of these new or amended HKFRS Accounting Standards and Interpretations, most relevant to the Group, are set out below:

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7 – Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7 – Amendments to the Contracts Referencing Nature – Dependent Electricity	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
Amendment to HKAS 21 – Translation to a Hyperinflationary Presentation Currency	1 January 2027
HKFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HK Int 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

The directors of the Company are in the process of making an assessment of what the impacts of these new standards, amendments to standards and interpretation are expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements, except for the following.

HKFRS 18 “Presentation and Disclosure in Financial Statements”

HKFRS 18 will replace HKAS 1 “Presentation of financial statements”, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the financial statements.

The new accounting standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal. Entities’ net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is currently assessing the impact of HKFRS 18, with respect to the structure of the Group’s statement of profit or loss, the statements of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements. Preliminary assessments indicate the following key impacts:

- The Group will need to reclassify certain income and expense items (e.g., interest income on certain investments and foreign exchange gains/losses) into the new categories, namely investing and financing categories.
- The Group disclosed certain MPMs (e.g., adjusted operating profits and adjusted EBITDA) in its results announcements and the annual report. Under HKFRS 18, this will likely require additional disclosure for the MPMs within the notes to the financial statements.
- The Statement of Cash Flows will also be impacted, as the operating profit subtotal will be the required starting point for the indirect method.

The directors of the Company are currently assessing the impact of applying HKFRS 18 on the presentation and the disclosures of the consolidated financial statements.

4. SEGMENT INFORMATION

The Group identifies reportable segments according to the types of products they offer.

The directors of the Company have determined that the Group has only one operating and reportable segment, being plantation and sales of potted vegetables.

Information reported to the directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses only on revenue analysis by nature and geographical location of customers.

Since this is the only one operating segment of the Group, no segment information is presented other than entity-wide disclosures.

(a) Geographical information

Over 90% of the Group's non-current assets and revenue are located and generated in the PRC for the years ended 31 December 2025 and 2024. Accordingly, no further geographical information of non-current assets and revenue was disclosed.

(b) Revenue from major customers

Revenue from customers in respect of sales of goods of the year contributing over 10% of the total revenue of the Group is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Sales of potted vegetables:		
Customer A	29,580	28,080
Customer B	23,805	22,319
Customer C	21,503	20,086
Customer D	20,939	24,427
	<u>20,939</u>	<u>24,427</u>

5. REVENUE

Revenue represents invoiced value of goods sold, after allowances for returns and discounts, during the year ended 31 December 2025 and is set out below:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue from contracts with customers within the scope of HKFRS 15		
Products transferred at a point in time:		
– Sales to distributors	191,026	182,245
– Direct sales to end-user customers	–	2
	191,026	182,247

6. OTHER INCOME

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest income	189	21
Rental income	620	640
Government grants (<i>note</i>)	227	226
Compensation received	–	9
Other income	–	470
	1,036	1,366

Note: The government grants represent subsidies received from government for agricultural development and greening purposes and such government grants are recognised as income on a systematic basis over the periods which the Group recognised related costs as expenses for which the government grants are intended to compensate. There are no unfulfilled conditions and other contingencies attaching to them.

7. FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on lease liabilities	202	149
Interest on bank borrowings	3,893	1,071
	4,095	1,220

8. INCOME TAX EXPENSE

The Group is not subject to taxation in the Cayman Islands and the BVI.

No provision for Hong Kong Profits Tax is required since the Group has no assessable profits arose in Hong Kong for the years ended 31 December 2025 and 2024.

The Group's subsidiaries established and operated in the PRC are subject to PRC Enterprise Income Tax ("EIT") at the rate of 25% (2024: 25%) for the year ended 31 December 2025. According to the Article 27 of the EIT Law and Article 86 of the Regulations of the EIT Law, enterprise income from agriculture, forestry, husbandry and fishery projects may be reduced or exempted from the PRC EIT. Pursuant to the abovementioned provisions and with the approval of Dianbu Branch of the State Taxation Bureau of Laixi City, enterprise income generated by Qingdao Fujing Agriculture Development Company Limited* (青島富景農業開發有限公司) ("Fujing Agriculture"), a wholly-owned subsidiary of the Company, from agriculture has been exempted from the PRC EIT for the period from 1 May 2010 to 1 May 2050. Accordingly, no PRC EIT has been provided in the consolidated financial statements for Fujing Agriculture during the years ended 31 December 2025 and 2024. No provision for the PRC EIT has been made for other subsidiaries established and operated in the PRC as they have no assessable profits during the years ended 31 December 2025 and 2024.

* *The English name is for identification purpose only*

9. PROFIT FOR THE YEAR

The Group's profit for the year is stated after charging/(crediting) the followings:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Auditors' remuneration	905	937
Cost of inventories sold, before the biological assets fair value adjustments	104,609	101,540
Depreciation of property, plant and equipment (<i>note (i)</i>)	11,719	10,852
Depreciation of investment properties	974	974
Depreciation of right-of-use assets (<i>note (ii)</i>)	1,154	978
Biological assets fair value adjustments	15	1,476
Listing expenses	–	8,401
Allowance for/(reversal of) ECL of trade receivables	2,170	(17)
(Reversal of)/allowance for ECL of other receivables	(4,287)	4,458
Loss on write-off of property, plant and equipment	–	3
Expenses relating to short-term lease	36	33
Staff costs (including directors' emoluments) (<i>note (iii)</i>)		
— Salaries, bonus, allowances, subcontracting fees and other benefits in kind	43,815	42,988
— Retirement benefits scheme contributions	741	595
	<u>44,556</u>	<u>43,583</u>

Notes:

- (i) Depreciation of property, plant and equipment of approximately RMB7,489,000 (2024: RMB6,564,000) for the year ended 31 December 2025 is included in cost of sales.
- (ii) Depreciation of right-of-use assets of approximately RMB630,000 (2024: RMB499,000) for the year ended 31 December 2025 is included in cost of sales.
- (iii) Staff costs of approximately RMB40,373,000 (2024: RMB40,581,000) for the year ended 31 December 2025 are included in cost of sales.

10. DIVIDENDS

No dividend was paid or proposed during the years ended 31 December 2025 and 2024, nor has any dividend been proposed since the end of the reporting period.

11. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following:

	2025	2024
	RMB'000	RMB'000
Earnings		
Profit for the year attributable to equity shareholder of the Company for the purpose of calculating basic and diluted earnings per share	<u>63,385</u>	<u>51,754</u>
	2025	2024
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share	<u>500,000,000</u>	<u>476,229,508</u>

As there were no dilutive potential ordinary shares during the years ended 31 December 2025 and 2024, diluted earnings per share for the years ended 31 December 2025 and 2024 are the same as basic earnings per share.

12. TRADE RECEIVABLES

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables	74,866	49,890
Allowance for ECL of trade receivables	(2,427)	(257)
	<u>72,439</u>	<u>49,633</u>

The Group's trading terms with customers are mainly on credit. The credit periods granted to the distributors and end-user customers are generally 60–120 days (2024: 60–120 days) and 180 days (2024: 180 days) respectively. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors of the Company.

An ageing analysis of trade receivables at the end of the reporting period, based on the invoice date, and net of allowance for ECL, is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0–90 days	42,949	37,568
91–180 days	21,092	8,868
181–365 days	8,307	3,197
Over 1 year	91	–
	<u>72,439</u>	<u>49,633</u>

The carrying amounts of the Group's trade receivables are denominated in RMB.

13. TRADE PAYABLES

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	<u>50,291</u>	<u>52,856</u>

The credit terms generally range from 15 days to 30 days (2024: 15 days to 30 days).

An ageing analysis of the Group's trade payables at the end of the reporting period, based on invoice date, is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0–90 days	13,624	21,114
91–180 days	13,857	18,381
181–365 days	12,461	13,146
Over 1 year	10,349	215
	<u>50,291</u>	<u>52,856</u>

The carrying amount of the Group's trade payables is denominated in RMB.

14. BANK BORROWINGS

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Bank borrowings, secured		
Current position	125,700	35,000
Non-current position	13,765	5,000
	<u>139,465</u>	<u>40,000</u>

The analysis of the repayment schedule of bank borrowings is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within one year	125,700	35,000
More than one year, but not exceeding five years	13,765	5,000
	<u>139,465</u>	<u>40,000</u>

As at 31 December 2025 and 2024, the Group's bank borrowings were denominated in RMB.

Certain bank borrowings of the Group are arranged at floating rates, thus exposing the Group to cash flow interest rate risk. The interest rates of the Group's bank borrowings as at 31 December were as follows:

	2025	2024
Bank borrowings	<u>3.05% - 5.66%</u>	<u>3.28% - 4.80%</u>

The Group's banking facilities as at 31 December 2025 were secured by a combination of assets and guarantees, including:

- i. corporate guarantee of RMB50 million from an independent third party, Qingdao Financing Guarantee Group Co., Ltd.* (青島融資擔保集團有限公司);
- ii. corporate guarantees from a related company jointly owned by Ms. Geng Juan and Mr. Geng Yikang, the cousin of Ms. Geng Juan;
- iii. corporate guarantees from a related company jointly owned by Ms. Geng Juan and Ms. Zhang Chunyan, the sister of Mr. Zhang;
- iv. land use rights belonging to a related company owned by the father of Ms. Geng Juan;
- v. personal guarantees provided by Mr. Zhang and Ms. Geng Juan;
- vi. properties owned by Ms. Geng Juan; and
- vii. certain right-of-use assets held by the Group.

The Group's banking facilities as at 31 December 2024 were guaranteed by personal guarantee with aggregate amount of RMB11,000,000 provided by Mr. Zhang.

Certain banking facilities are subject to the fulfilment of covenants, which is relating to the Group's financial metrics which are tested periodically, as are commonly found in lending arrangements with financial institutions. The Group did not identify any difficulties complying with the covenants. If the Group were to breach the covenants the related borrowings would become payable on demand.

The Group has complied with the financial covenants of its borrowing facilities during the year ended 31 December 2025 (2024: no financial covenants).

15. SHARE CAPITAL

	Number of shares	Amount <i>US\$'000</i>	Equivalent to <i>RMB'000</i>
Authorised:			
Ordinary shares at US\$0.01 each			
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	10,000,000,000	100,000	725,516
Issued and fully paid:			
Ordinary shares at US\$0.01 each			
At 1 January 2024	141,414	1	10
Capitalisation issue (<i>note (a)</i>)	399,858,586	3,999	29,021
Issue of share upon the Listing (<i>note (b)</i>)	100,000,000	1,000	7,258
At 31 December 2024, 1 January 2025 and 31 December 2025	500,000,000	5,000	36,289

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance. The capital structure of the Group comprises all components of shareholders' equity.

The Group reviews the capital structure frequently by considering the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debts, redemption of existing debts or selling assets to reduce debts. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2025 and 2024.

The externally imposed capital requirements for the Group are: (i) in order to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares; and (ii) to meet financial covenants attached to the interest-bearing borrowings.

The Group has maintained a sufficient public float to comply with the Listing Rules from the date of the Listing.

Breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowing for the year ended 31 December 2025.

Notes:

- (a) Pursuant to the written resolutions of the shareholders of the Company passed on 11 March 2024, conditional upon the fulfillment or waiver of the conditions set out in the section headed “Structure and Conditions of the Share Offer” in the Prospectus and subject to the share premium account of our Company being credited as a result of the issue of the new shares under the issue of shares upon the Listing (note (b)), the directors of the Company are authorised to allot and issue a total of 399,858,586 ordinary shares of the Company, credited as fully paid at par to the shareholders of the Company whose names appear on the register of members of the Company at the close of business on 11 March 2024 in proportion to their respective shareholdings, by way of capitalisation of an amount of approximately US\$3,999,000, equivalent to approximately RMB29,021,000, standing to the debit of the share premium account of the Company (the “**Capitalisation Issue**”).

The Capitalisation Issue has been completed on 28 March 2024.

- (b) Immediately upon the Listing on 28 March 2024, 100,000,000 ordinary shares of the Company were issued by way of the placing and the public offer, both at a price of HK\$1.08 per share. The gross proceeds was HK\$108,000,000, equivalent to approximately RMB100,190,000, representing credit of share capital of approximately RMB7,258,000 and credit of share premium of approximately RMB92,932,000 before any deduction of transaction costs attributable to issue of shares of approximately RMB14,179,000, which was debited to share premium account.

16. CAPITAL COMMITMENTS

Capital commitments contracted for at the end of the reporting period but not yet incurred are as follows:

	2025	2024
	RMB'000	RMB'000
Property, plant and equipment	8,538	12,939

17. RELATED PARTY TRANSACTIONS

Other than the balance with a director, the Group had the following material transactions with its related parties during the years ended 31 December 2025 and 2024.

(a) Transactions with related party

	2025	2024
	RMB'000	RMB'000
Rental payment paid to a related company in respect of a property	36	33

As at 31 December 2025 and 2024, Ms. Geng Juan and Ms. Zhang Chunyan, who is the sister of Mr. Zhang, are the shareholders of the related company. The above transactions constitute related party transactions.

(b) Guarantees

As at 31 December 2025, Mr. Zhang and Ms. Geng Juan (2024: Mr. Zhang) had provided personal guarantees in favour of banking facilities granted to the subsidiaries of the Company.

(c) Financial guarantees

At 31 December 2024, the Group has issued certain guarantees of approximately RMB28,000,000 to bank in respect of banking facilities granted to a related company and a deemed connected person.

The related company is owned by Ms. Geng Juan and Mr. Geng Yikang. The deemed connected person is a company owned by Mr. Geng Yu, the uncle of Ms. Geng Juan.

During the year ended 31 December 2025, the bank loans drawn under the financial guarantees were fully repaid by the related company and the deemed connected person respectively. As at 31 December 2025, the Group did not provide any financial guarantees.

(d) Key management compensation

Key management mainly represents the directors of the Company.

18. FINANCIAL GUARANTEES

As at 31 December 2024 the Group has issued certain guarantees of approximately RMB28,000,000 to bank in respect of banking facilities granted to a related company and a deemed connected person. Under the guarantees, the Group is jointly and severally liable for all or any of the borrowings from the bank upon failure of the guaranteed entities to make payments when due.

As at 31 December 2024, the maximum liability of the Group under guarantees is the amount of bank loans drawn under the guarantees of approximately RMB16,000,000, and no financial guarantee was recognised as the fair value of the financial guarantees is immaterial. During the year ended 31 December 2025, the bank loans drawn under the guarantees were fully repaid by the related company and the deemed connected person respectively. As at 31 December 2025, the Group did not provide any financial guarantees.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

We are principally engaged in the cultivation and sales of potted vegetable produce in the PRC, which are cultivated and sold in pots. Our potted vegetable produce was mainly leafy vegetable species, such as crown daisy, rapeseed, Frisée, Indian lettuce, pak choi, lettuce, Chinese celery and tatsoi. Our products are offered in the market primarily under our brand “富景農業”.

We sell our products primarily in Shandong province, and also in Xi'an, Shaanxi province, Dalian, Liaoning province and Beijing, with revenue contribution of approximately 86.2%, 1.3%, 4.3% and 8.2% in FY2025 respectively and approximately 90.9%, 3.6%, 4.7% and 0.8% in FY2024 respectively. We sell our potted vegetable produce primarily through a network of distributors in the PRC, which then on-sell our products to end-user customers, the majority of which are hotels and restaurants in the PRC. Our sales to distributors amounted to approximately RMB182.2 million in FY2024 and approximately RMB191.0 million in FY2025, accounted for approximately 100.0% of our revenue for FY2024 and FY2025. As at 31 December 2025, we had six cultivation facilities in operation for cultivating our potted vegetable produce, namely (i) the Laixi Facility in Laixi, Qingdao, Shandong province; (ii) the Beijing Facility in Daxing District, Beijing; (iii) the Dalian Facility in Dalian, Liaoning province; (iv) the Xi'an Facility in Xi'an, Shaanxi province, where the lease for the old Xi'an facility expired in June 2025 and the construction of the replacement Xi'an facility commenced in September 2025, with completion expected in September 2026, at which time it will cover an area of approximately 26,667 sq.m.; (v) the Phase II Beijing Facility under construction in Langfang, Hebei province as at 31 December 2025, with completion expected in September 2026, at which time it will cover an area of approximately 23,333 to 26,667 sq.m.; and (vi) the Yaozhuang Facility under construction in Jinan, Shandong province as at 31 December 2025, with completion expected in October 2026, at which time it will cover an area of approximately 126,667 to 133,334 sq.m. We had 161 greenhouses (2024: 168) in operation with a total gross floor area of 175,867 sq.m. (2024: 182,867 sq.m.) as at 31 December 2025.

Our raw materials primarily include (i) components of organic substrates such as cow manure, fungi residue and peanut shells; (ii) seedling; and (iii) fertilisers (such as foliar fertilisers) and biopesticides (such as matrine). In FY2025, our raw material cost accounted for approximately 52.6% of our total cost of sales (2024: 51.3%).

We engage third party subcontractors by entering into standard labour subcontracting agreements for performing simple labour work such as watering, sowing and transporting in the cultivation process under our management and supervision at our cultivation facilities. In FY2025, our subcontracting labour cost accounted for approximately 37.9% of our total cost of sales (2024: 38.7%).

We cultivate our vegetable produce in pots which contain our specially formulated organic substrates. Compared to vegetable produce grown in open fields, using such organic substrates enables our potted vegetable produce to be cultivated with ideal nutrients for healthy growth, and prevents the risks of contamination and pollution. We apply an industrial cultivation method to produce our potted vegetable produce. Such cultivation method requires the use of enclosed greenhouses together with the application of our horticultural know-how and equipment in connection with pest control, heat preservation, ventilation and/or shading of sunlight in order to create an appropriate and ideal microclimate environment for the growth of our potted vegetable produce.

FINANCIAL REVIEW

Revenue

Our revenue increased from approximately RMB182.2 million in FY2024 to approximately RMB191.0 million in FY2025. Such increase in revenue in the said period was primarily attributable to the increase in the sales volume of our potted vegetable produce from approximately 12.1 million pots in FY2024 to approximately 12.6 million pots in FY2025 due to the deployment of 28 greenhouses at our new Beijing Facility in December 2024 and their official operation commencement in 2025. The average selling price per pot of our potted vegetable produce remained stable at approximately RMB15.1 in FY2024 and FY2025.

Cost of sales

Our cost of sales primarily consists of raw materials, subcontracting labour cost and cultivation overheads. Our raw materials primarily include (i) components of organic substrates; (ii) seedling; and (iii) fertilisers (such as foliar fertilisers) and biopesticides (such as matrine). Our raw materials and subcontracting labour cost accounted for approximately 52.6% and 37.9% of our cost of sales in FY2025 respectively and approximately 51.3% and 38.7% of our cost of sales in FY2024 respectively. Our cost of sales increased from approximately RMB104.9 million for FY2024 to approximately RMB106.5 million for FY2025, primarily due to the increase in revenue during FY2025.

Gross profit and gross profit margin

Our gross profit increased by approximately RMB7.2 million (or 9.3%) from approximately RMB77.3 million in FY2024 to approximately RMB84.5 million in FY2025. Such increase was primarily the result of the increase in our revenue in the corresponding period, mainly attributable to the increase in the sales volume of our potted vegetable produce. Our gross profit margin increased from approximately 42.4% in FY2024 to approximately 44.2% in FY2025 mainly because of the increase in revenue from the sale of our potted vegetable produce by approximately RMB8.8 million (or 4.8%) from FY2024 to FY2025, which overwhelmed the increase in our cost of sales by approximately RMB1.6 million (or 1.5%) during the same period.

Other income

Other income mainly consists of (i) interest income; (ii) rental income; and (iii) government grants. Our other income decreased slightly from approximately RMB1.4 million for FY2024 to approximately RMB1.0 million for FY2025. For more details, please refer to note 6 to the consolidated financial statements in this announcement.

Changes in fair value of biological assets less cost to sell

Our biological assets consist of potted vegetable produce held by us and stated at fair value less estimated cost to sell as at the end of each reporting period. The fair value of our biological assets was assessed at each reporting date. The resultant gain or loss arising from the changes in the fair value adjustment between each reporting period are recognised in our consolidated statements of profit or loss.

For FY2024 and FY2025, we recognised gains of approximately RMB1.9 million each from changes in the fair value of biological assets less costs to sell. The gain represents the difference between the fair value of the biological assets and the original cost of the biological assets as at 31 December 2024 and 2025 respectively.

Allowance for expected credit losses (“ECL”) of trade and other receivables

Our allowance for ECL mainly represents the loss allowance of our trade and other receivables, net of reversal. We use provision matrix to calculate ECL of our trade receivables. The provision rates used in the provision matrix are based on our internal credit ratings as grouping of various debtors that have similar loss patterns. The provision matrix is based on our historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue cost or effort. For other receivables, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on other receivables has not increased significantly since initial recognition, the Group measures the loss allowance for other receivables at an amount equal to 12-month ECL. The provision of ECL is sensitive to changes in estimates.

For FY2024, we recorded an allowance for ECL of trade and other receivables of approximately RMB4.4 million. For FY2025, we recorded a reversal of ECL of trade and other receivables of approximately RMB2.1 million, mainly attributable to the significant decrease in gross other receivables from approximately RMB56.0 million as at 31 December 2024 to approximately RMB1.1 million as at 31 December 2025.

Selling and distribution expenses

Selling and distribution expenses consist of salary, depreciation, office expenses, advertising fees, motor vehicles expenses and other expenses. Our selling and distribution expenses remained stable at approximately RMB0.2 million for both of FY2024 and FY2025.

Administrative and other expenses

Administrative and other expenses consist of salary, legal, professional and auditing fees, depreciation of property, plant and equipment, depreciation of investment properties, depreciation of right-of-use assets, testing expenses and other expenses. Our administrative and other expenses increased from approximately RMB14.6 million for FY2024 to approximately RMB21.9 million for FY2025 respectively, mainly due to the increase in company secretarial fees, consultancy fees, legal and professional fees, and testing expenses in FY2025 compared with FY2024.

Listing expenses

Listing expenses represented professional services fees incurred for the purpose of the listing (the “**Listing**”) of the shares of the Company (“**Shares**”) on the Main Board of The Hong Kong Stock Exchange Limited (the “**Stock Exchange**”) on 28 March 2024 (the “**Listing Date**”). Listing expenses amounted to approximately RMB8.4 million for FY2024. No such expenses were incurred in FY2025.

Income tax expense

Our income tax expense remained nil for FY2025 and FY2024.

We are not subject to taxation in the Cayman Islands and the British Virgin Islands. No provision for Hong Kong Profits Tax is required since we have no assessable profits in Hong Kong.

According to the Article 27 of the Enterprise Income Tax Law and Article 86 of the Regulations of Enterprise Income Tax Law of the PRC, enterprise income from agriculture, forestry, husbandry and fishery projects may be reduced or exempted from taxation. Pursuant to the abovementioned provisions and with the approval of Dianbu Branch of the State Taxation Bureau of Laixi City, enterprise income generated by Qingdao Fujing Agriculture Development Company Limited * (青島富景農業開發有限公司) (“**Fujing Agriculture**”), our principal operating subsidiary in the PRC, from agriculture has been exempted from taxation for the period from 1 May 2010 to 1 May 2050. Accordingly, no PRC enterprise income tax has been provided in the consolidated financial statements for Fujing Agriculture during the FY2025 and FY2024.

Profit for the year

Our profit for the year increased by approximately RMB11.6 million from approximately RMB51.8 million in FY2024 to approximately RMB63.4 million in FY2025, which mainly resulted from the increase in our revenue by approximately RMB8.8 million from FY2024 to FY2025 mainly attributable to the increase in our sales volume of our potted vegetable produce. Meanwhile, our net profit margin increased from approximately 28.4% in FY2024 to approximately 33.2% in FY2025 mainly because (i) our gross profit margin increased from approximately 42.4% in FY2024 to approximately 44.2% in FY2025; (ii) we recorded a reversal of ECL of trade and other receivables of approximately RMB2.1 million for FY2025 as compared to an allowance for ECL of trade and other receivables of approximately RMB4.4 million for FY2024; and (iii) we did not incur any listing expenses in FY2025.

Analysis of key items of financial position

Net current assets

Our net current assets decreased from approximately RMB256.7 million as at 31 December 2024 to approximately RMB184.9 million as at 31 December 2025, with the bank and cash balances increased from approximately RMB226.1 million as at 31 December 2024 to approximately RMB247.6 million as at 31 December 2025. The decrease was mainly due to the significant increase in bank borrowings from RMB40.0 million for FY2024 to RMB139.5 million for FY2025 which was used to finance our Group's operation and investment in property, plant and equipment.

Biological assets

Our biological assets represent the potted vegetable produce stated at fair value less estimated cost to sell as at the end of the reporting period.

The fair value of our biological assets decreased slightly from approximately RMB7.0 million as at 31 December 2024 to approximately RMB6.9 million as at 31 December 2025, primarily due to the lower volume of potted vegetable produce as at 31 December 2025.

Inventories

Our inventories primarily consist of agricultural materials which mainly include fertilisers and biopesticides which were not utilised at the end of each reporting period. Our inventory remained stable at approximately RMB0.1 million and RMB0.2 million as at 31 December 2024 and 2025 respectively.

Trade receivables

Our trade receivables primarily consist of receivables associated with the sales of our potted vegetable produce to our customers. Our trade receivables increased from approximately RMB49.6 million as at 31 December 2024 to approximately RMB72.4 million as at 31 December 2025 due to the expansion of sales in FY2025.

Prepayments and other receivables

Our prepayments and other receivables decreased from approximately RMB76.9 million as at 31 December 2024 to RMB41.5 million as at 31 December 2025, mainly because the remaining balance for payments for the construction of cultivation facilities and the procurement of organic substrates and peat was fully refunded during FY2025.

Trade payables

Our trade payables primarily relate to our subcontracting labour cost and purchase of raw materials from our suppliers.

Our trade payables decreased slightly from approximately RMB52.9 million as at 31 December 2024 to approximately RMB50.3 million as at 31 December 2025, primarily due to the procurement amount in the last quarter of the FY2025 being lower than that in the last quarter of the FY2024.

Indebtedness

The following table sets forth a breakdown of our indebtedness as at the dates indicated:

	At 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Current portion		
Amount due to a director	486	30
Bank borrowings	125,700	35,000
Lease liabilities	531	382
	126,717	35,412
Non-current portion		
Lease liabilities	4,813	3,827
Bank borrowings	13,765	5,000
	145,295	44,239

Our total outstanding balance of bank borrowings increased from approximately RMB40.0 million as at 31 December 2024 to approximately RMB139.5 million as at 31 December 2025. The new bank borrowings were used to finance our Group's operation and investment in property, plant and equipment.

As at 31 December 2025, the right-of-use assets amounting to approximately RMB17.1 million with remaining lease term of 32 years was pledged as security for the bank borrowings (2024: nil).

Except as disclosed above, and save as those disclosed in notes 17 and 18 to the consolidated financial statements in this announcement, as at 31 December 2025, we did not have any outstanding mortgages, charges, debentures, loan capital, bank overdrafts, loans, debt securities or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptances or acceptance credits or any guarantees.

Key financial ratios

	As at/For the year ended 31	
	December	
	2025	2024
Profitability Ratios		
Revenue growth ^(Note 1)	4.8%	15.4%
Gross profit margin ^(Note 2)	44.2%	42.4%
Net profit growth ^(Note 3)	22.5%	5.1%
Net profit margin ^(Note 4)	33.2%	28.4%
Return on assets ^(Notes 5&6)	8.5%	8.7%
Return on equity ^(Notes 6&7)	11.7%	10.8%
Liquidity Ratios		
Current ratio ^(Note 8)	2.0 times	3.5 times
Quick ratio ^(Note 9)	2.0 times	3.5 times
Solvency Ratios		
Interest coverage ratio ^(Note 10)	16.5 times	43.4 times
Net debt to equity ratio ^(Note 11)	-19.0% ^(Note 13)	-38.1% ^(Note 13)
Gearing Ratio ^(Note 12)	26.8%	9.2%

Notes:

1. Revenue growth represents the difference between revenue for the current year and prior year, divided by the revenue for the prior year and multiplied by 100%.
2. The gross profit margin represents the gross profit divided by the revenue for the respective year multiplied by 100%.
3. Net profit growth represents the difference between net profit for the current year and prior year, divided by the net profit for the prior year and multiplied by 100%.
4. The net profit margin represents the net profit divided by the revenue for the respective year multiplied by 100%.
5. Return on assets represents net profit divided by total assets as at the respective year end and multiplied by 100%.
6. Return on equity and return on assets are calculated on a full year basis.
7. Return on equity represents net profit divided by total equity as at the respective year end and multiplied by 100%.
8. Current ratio represents total current assets divided by total current liabilities as at the respective year end.
9. Quick ratio represents total current assets less inventories divided by total current liabilities as at the respective year end.
10. Interest coverage ratio represents profit before income tax and interest expenses divided by interest expenses for the respective year.
11. Net debt to equity ratio represents net debt divided by total equity as at the respective year end. Net debt is calculated as the total interest-bearing debt including borrowings and lease liabilities less bank and cash balances.
12. Gearing ratio represents the total interest-bearing debt including borrowings and lease liabilities divided by total equity as at the respective year end multiplied by 100%.
13. We recorded a negative net debt to equity ratio for FY2025 and FY2024 as our Group is in a net cash position deriving the respective year end.

Revenue growth

Our revenue increased from approximately RMB182.2 million in FY2024 to approximately RMB191.0 million in FY2025, representing an increase of approximately RMB8.8 million or 4.8%. Please refer to the paragraph headed “Management Discussion and Analysis — Financial Review — Revenue” above in this section of this announcement for the reasons for the increase in our revenue.

Gross profit margin

Our gross profit margin increased slightly from approximately 42.4% in FY2024 to approximately 44.2% in FY2025. Please refer to the paragraph headed “Management Discussion and Analysis — Financial Review — Gross profit and gross profit margin” above in this section of this announcement for the reasons for the changes in gross profit margin.

Net profit growth

Our profit for the year increased from approximately RMB51.8 million in FY2024 to approximately RMB63.4 million in FY2025, representing an increase of approximately RMB11.6 million or 22.5%. Please refer to the paragraph headed “Management Discussion and Analysis — Financial Review — Profit for the year” above in this section of this announcement for the reasons for the increase in our net profit.

Net profit margin

We have a net profit margin of approximately 33.2% in FY2025, which is higher than the net profit margin of approximately 28.4% in FY2024. Please refer to the paragraph headed “Management Discussion and Analysis — Financial Review — Profit for the year” above in this section of this announcement for the reasons for the increase in our net profit margin.

Return on assets

Our return on assets for FY2025 was approximately 8.5%, which was lower than our return on assets of approximately 8.7% for FY2024 mainly because of the higher total assets principally arising from the significant increase in property, plant and equipment due to the increase in construction in progress. Specifically, the balance of construction in progress in FY2025 increased by approximately RMB130.6 million compared with FY2024, which led to the growth of total assets.

Return on equity

Our return on equity for FY2025 was approximately 11.7%, which was higher than our return on equity of approximately 10.8% for FY2024 mainly because the net profit in FY2025 increased by approximately RMB11.6 million compared to FY2024.

Current ratio

Our current ratio decreased from approximately 3.5 times as at 31 December 2024 to approximately 2.0 times as at 31 December 2025 mainly because current liabilities increased significantly due to bank borrowings rising from RMB35.0 million in FY2024 to RMB125.7 million in FY2025.

Quick ratio

Our quick ratio decreased from approximately 3.5 times as at 31 December 2024 to approximately 2.0 times as at 31 December 2025 mainly because current liabilities increased significantly due to bank borrowings rising from RMB35.0 million in FY2024 to RMB125.7 million in FY2025.

Interest coverage ratio

Our interest coverage ratio decreased from approximately 43.4 times for FY2024 to approximately 16.5 times for FY2025 primarily due to the increase of our indebtedness and finance costs during FY2025.

Net debt to equity ratio

Net debt to equity ratio is not applicable to our Group as at 31 December 2024 and 31 December 2025 as our Group recorded net cash as at 31 December 2024 and 31 December 2025.

Gearing ratio

Our gearing ratio increased from approximately 9.2% as at 31 December 2024 to approximately 26.8% as at 31 December 2025, which was primarily due to the increase of our indebtedness to finance our operations and investment in property, plant and equipment during FY2025.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Company carried out the share offer (the “**Share Offer**”), comprising 100,000,000 Shares at HK\$1.08 per Share and the Shares were listed on the Stock Exchange on 28 March 2024.

Our source of funds for our operations mainly comes from cash generated from our operations and bank borrowings. Since the Listing, our source of funds has been a combination of internal generated funds, bank borrowings as well as net proceeds from the Share Offer. As at 31 December 2025, we had cash and cash equivalents of approximately RMB247.6 million (2024: RMB226.1 million) and bank borrowings of approximately RMB139.5 million (2024: RMB40.0 million). As at 31 December 2025, the Group's bank borrowings were denominated in RMB, approximately RMB125.7 million of which were due within one year and the remaining approximately RMB13.8 million were due between one to five years. Among the bank borrowings, approximately RMB130.7 million carried fixed interest rate and approximately RMB8.8 million carried floating rate as at 31 December 2025.

There has been no change in the capital structure of the Company for the Reporting Period. As at the date of this announcement, the equity of the Company comprised mainly issued share capital and reserves.

FUNDING AND TREASURY POLICY

The Group maintains a prudent funding and treasury policy. Surplus funds are maintained in the form of cash deposits with licensed banks. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

SIGNIFICANT INVESTMENT HELD, MATERIAL ACQUISITION AND DISPOSAL

The Group did not hold any significant investment nor did the Group carry out any material acquisition and disposal during the year.

CAPITAL COMMITMENTS

As at 31 December 2025, the Group had approximately RMB8.5 million (2024: RMB12.9 million) of capital commitments in respect of the acquisition of property, plant and equipment.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2025, the Group employed 33 employees in the PRC and Hong Kong (2024: 37 employees). The total staff costs incurred by the Group for FY2025 was approximately RMB44.6 million compared to approximately RMB43.6 million for FY2024. The remuneration policy of our Group to reward its employees is based on their performance, qualifications, competence displayed and market comparable. Remuneration package typically comprises salary, contribution to pension schemes and discretionary bonuses relating to the profit of the relevant company. We provide introductory training at the time when members of our staff first join us and thereafter regular on-the-job training, depending on his or her role. In addition, it is our policy to provide training to our staff on an as-needed basis to enhance their technical and industry knowledge.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Our Group is undertaking the following investment in cultivation facilities: (i) the construction of the replacement Xi'an facility commenced in September 2025, with completion expected in September 2026, at which time it will cover an area of approximately 26,667 sq.m.; (ii) the Phase II Beijing Facility under construction in Langfang, Hebei province as at 31 December 2025, with completion expected in September 2026, at which time it will cover an area of approximately 23,333 to 26,667 sq.m.; and (iii) the Yaozhuang Facility under construction in Jinan, Shandong province as at 31 December 2025, with completion expected in October 2026, at which time it will cover an area of approximately 126,667 to 133,334 sq.m.

Save as disclosed above, and save as disclosed in the section headed "Future Plans and Use of Proceeds" of the prospectus of the Company dated 20 March 2024 (the "**Prospectus**"), as at the date of this announcement, the Group does not have other plans for material investments and capital assets.

CONTINGENT LIABILITIES

As at 31 December 2024, our Group has issued certain guarantees of approximately RMB28.0 million to bank in respect of banking facilities granted to a related company and a deemed connected person. Under the guarantees, the Group is jointly and severally liable for all or any of the borrowings from the bank upon failure of the guaranteed entities to make payments when due. As at 31 December 2024, the maximum liability of the Group under guarantees is the amount of bank loans drawn under the guarantees of approximately RMB16.0 million, and no financial guarantee was recognised as the fair value of the financial guarantees is immaterial. For details, please refer to the announcement of the Company dated 28 April 2025 (the “**Announcement**”).

During FY2025, the bank loans drawn under the guarantees were fully repaid by the related company and the deemed connected person respectively and the agreements under which the guarantees were issued have been terminated. As at 31 December 2025, the Group did not provide any financial guarantees.

Save for the above, as at 31 December 2025 and 2024, our Group did not have any contingent liabilities.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group has minimal exposure to fluctuations in exchange rates as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group’s entities. As at 31 December 2025, approximately 99.9% (2024: 95.6%) of the Group’s bank and cash balances and approximately 100% (2024: 100%) of the Group’s bank borrowings were denominated in Renminbi. As at 31 December 2025 and 2024, the Group has not entered into any foreign exchange contracts to hedge against the fluctuation in exchange rates and the Group did not have any foreign currency investments which have been hedged by currency borrowing and other hedging instruments. The Directors consider the impact of foreign exchange exposure to the Group is minimal.

PLEDGE OF ASSETS

As at 31 December 2025, the right-of-use assets amounting to approximately RMB17.1 million with remaining lease term of 32 years was pledged as security for the bank borrowings (2024: nil).

USE OF PROCEEDS FROM THE LISTING

The Shares were listed on the Stock Exchange on the Listing Date. Net proceeds from the Listing were approximately HK\$48.2 million (approximately RMB43.8 million). The table below sets forth the allocation and status of utilisation of the net proceeds as at 31 December 2025 and the expected timeline of the use of the unutilised net proceeds:

	Intended use of proceeds (RMB'million)	Net proceeds utilised during 2025 (RMB'million)	Utilised amount up to 31 December 2025 (RMB'million)	Unutilised amount as at 31 December 2025 (RMB'million)	Estimated timeline for utilising the unutilised net proceeds
Expansion of our cultivation capacity					
– Improvement and expansion of cultivation facilities at existing geographical markets	24.4	15.1	24.4	–	Before December 2026
– Establishing new cultivation facilities in new geographical markets (<i>Note 1</i>)	9.5	–	9.5	–	Before December 2025
Setting up a dedicated organic substrates production facility	6.2	–	–	6.2	Before December 2026 (<i>Note 2</i>)
Strengthening our operating efficiency through upgrade of information technology system	3.7	–	–	3.7	Before December 2026 (<i>Note 3</i>)
Total	43.8	15.1	33.9	9.9	

Notes:

1. In December 2024, the Group established a new cultivation facility within Beijing with 28 greenhouses (the Beijing Facility), which is situated near Langfang, Hebei province, in order to better serve the market of Beijing and Hebei province.
2. The expected timeline for the planned use of proceeds of RMB6.2 million for setting up a dedicated organic substrates production facility was postponed from December 2024 as originally disclosed in the Prospectus to December 2025 and further to December 2026. Our Company has been formulating the detailed specification requirements of the proposed organic substrates production facility. However, given the wide variety of vegetable species cultivated by our Group, the time and complexity involved in determining appropriate organic substrate development processes and specifications that fit the various species of our potted vegetable produce exceeded our initial expectations. Meanwhile, the construction and production of the substrate facility require approvals from relevant departments regarding environmental protection and safety inspections, as well as the processing of fertilizer registration licenses with provincial-level or higher authorities; consequently, the approval procedures and construction period have been longer than expected. The compliance costs are also higher than expected. Our Company will continuously review the timeframe and implementation plan in relation to the organic substrates production facility.

- The expected timeline for the planned use of proceeds of RMB3.7 million for strengthening our operating efficiency through upgrade of information technology system was postponed from December 2024 as originally disclosed in the Prospectus to December 2025 and further to December 2026. The further delay was because the Group is still searching for a suitable enterprise resource planning (ERP) system provider that aligns with its specific requirements. Due to our nature as a producer of potted vegetable produce, we require a specialised ERP system that will fit our unique operation in terms of supply chain management, production management and inventory management. Up to 31 December 2025, we have not been able to identify a provider capable of supplying an ERP system that will satisfactorily meet all our expectations. Our Company will continuously review timeframe and implementation plan in relation to the ERP system.

According to the Prospectus, the Company expects to establish a new cultivation facility with 10 enhanced large greenhouses in Langfang, Hebei province which is adjacent to Beijing after the Listing. As disclosed in the Prospectus, it was believed that setting up a new cultivation facility in Langfang next to Beijing will allow the Group to introduce its potted vegetable produce in the geographical markets of Beijing. Following the Group's due diligence to identify suitable locations for the new cultivation facilities after the Listing, the Group identified a more advantageous location for the establishment of a cultivation facility in Qingyundian Town, Daxing District, Beijing, which is near the border between Beijing and Langfang and is approximately 10 kilometres from Langfang. The establishment of the cultivation facility in Daxing District offers even greater proximity to the Beijing market, thereby enhancing the efficiency of sales and product transportation. Based on the above, although the Group eventually established a new cultivation facility in Beijing, the Directors consider that they have implemented the business strategies in respect of "establishing a new cultivation facility in new geographical market" in accordance with the business plans as set out in the Prospectus.

In December 2024, the Group established the Beijing Facility. The table below sets forth the details of the Beijing Facility:

Location of the Beijing Facility	Number of greenhouses	Approximate total gross floor area <i>(sq.m.)</i>	Approximate gross floor area per greenhouse <i>(sq.m.)</i>	Approximate maximum cultivation capacity
Qingyundian Town, Daxing District, Beijing	28 enhanced large greenhouses	27,000	970	2.0 million pots per year

Save for the aforesaid, there are no other changes in the use of proceeds.

DIVIDEND

No dividends were paid or declared by the Company for FY2025 and FY2024. The Board did not recommend the payment of a final dividend for FY2025 (FY2024: nil).

SIGNIFICANT EVENT AFTER REPORTING PERIOD

Save as disclosed above and in the section headed “Management Discussion and Analysis” of this announcement, there was no significant event relevant to the business or financial performance of the Group that has come to the attention of the Directors after FY2025 and up to the date of this announcement.

FUTURE PLANS AND PROSPECTS

We intend to achieve sustainable growth in sales and profit and further strengthen our leading position in the potted vegetable produce industry in the PRC by implementing the following strategies: (i) to expand our cultivation capacity; (ii) to establish a new cultivation facility in new geographical market; (iii) to set up a designated organic substrates preparation facility; and (iv) to strengthen our operational efficiency through upgrade of our information technology system, details of which are set out in the section headed “Business — Our Business Strategies” in the Prospectus.

CORPORATE GOVERNANCE PRACTICES

The Shares of the Company have been listed on the Stock Exchange since the Listing Date. The Group is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders of the Company (the “**Shareholders**”) and to enhance corporate value and accountability.

The Company has adopted the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Rules Governing the listing of securities on the Stock Exchange (“**Listing Rules**”). The Company has adopted the principles and code provisions of the CG Code as the basis of the Company’s corporate governance practices. Save as disclosed below, the Company has complied with all the applicable code provisions set out in the CG Code for the Reporting Period.

Code Provision C.2.1 of the CG Code

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. However, having considered the nature and extent of our operations, and Mr. Zhang Yonggang’s (“**Mr. Zhang**”) familiarity with the operations of our Group, that all major decisions are made in consultation with members of our Board and relevant Board committees, and that there are three independent non-executive Directors on our Board offering independent perspectives, our Directors are therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers and authorities between our Board and the management of our Company and that it is in the best interest of our Group to have Mr. Zhang taking up both roles notwithstanding the provision of C.2.1 of the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors’ dealings in the securities of the Company for FY2025.

Having made specific enquiry with all the Directors, all the Directors confirmed that they have complied with the required standard of dealings as set out in the Model Code for the Reporting Period.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares) for the Reporting Period. As at 31 December 2025, there were no treasury shares held by the Company.

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and to the best knowledge of the Directors, at least 25% of the Company’s total issued shares, the prescribed minimum percentage of public float approved by the Stock Exchange and permitted under the Listing Rules, was held by the public at all times for the Reporting Period and up to the date of this announcement.

COMPETING INTERESTS

Mr. Zhang, Ms. Geng Juan, Trident Trust Company (HK) Limited, ProsperFusion Global Limited and Silver Glory Technology Limited, the controlling shareholders of the Company within the meaning of the Listing Rules, Directors and their respective close associates do not have any interest in a business apart from our business which competes or is likely to compete, directly or indirectly, with our business that would require disclosure under Rule 8.10 of the Listing Rules.

AUDIT COMMITTEE

The Audit Committee assists the Board in reviewing and monitoring the external auditors' independence and objectivity and effectiveness of the audit process in accordance with the application standards, monitoring the integrity of the Group's consolidated financial statements and reviewing the Group's financial controls, and risks management and internal control systems. The annual results of the Group for FY2025 had been reviewed by the Audit Committee, which consists of three independent non-executive Directors of the Company, namely Mr. Lam Chik Tong, Dr. Li Junliang and Dr. Wang Wenyuan, with Mr. Lam Chik Tong as the chairman of the Audit Committee. The Audit Committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements as well as the Listing Rules and that adequate disclosure has been made.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company will be held on 22 May 2026, the notice of which will be published and despatched to the Shareholders as soon as practicable in accordance with the Company's Articles of Association and the Listing Rules. For determining the entitlement to attend and vote at the forthcoming annual general meeting to be held on 22 May 2026, the register of members of the Company will be closed from 19 May 2026 to 22 May 2026, both days inclusive, during which period no transfer of shares will be registered. All transfers of shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged with the Hong Kong Branch Share Registrar and Transfer Office at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on 18 May 2026.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for evaluating and determining the nature and extent of the risks to take in achieving the Group's strategic objectives at least annually. The Group has not established a separate internal audit department; however, procedures are in place to provide adequate resources and qualified personnel to carry out the duties of the internal audit function, including annual review of the effectiveness of risk management and internal control. The Group has engaged an external independent internal control consultant to conduct a review on the internal control and risk management systems of the Group for FY2025 and to report their findings to the Audit Committee and the Board. The scope of review covered overall management control, risk assessment and management, control procedures for revenue, purchasing, property, plant and equipment and human resource management. The period of internal control review covered full year for FY2025.

The Board has received a confirmation from management on the effectiveness of the risk management and internal control systems. Based on review and procedures conducted, the Board considers that the Group’s risk management and internal control systems are effective and adequate. However, the risk management and internal control systems of the Group are designed to manage rather than to eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

During FY2025, the Company identified an incident of non-compliances with the Chapter 14 and Chapter 14A of the Listing Rules involving failure to comply with the relevant notifiable and connected transaction requirements. Reference is made to the Announcement of the Company dated 28 April 2025. Fujing Agriculture entered into two separate maximum asset pledge agreements (the “**Pledge Agreements**”) on 24 July 2024 with the Industrial and Commercial Bank of China Limited, Laixi Branch* (中國工商銀行股份有限公司萊西支行) (the “**Bank**”), to secure repayment obligations of two connected persons (the “**Pledge**”). Under the Oriental Pearl Asset Pledge Agreement (as defined in the Announcement), Fujing Agriculture pledged a property in Laixi, Qingdao, as security for the obligations of Laixi Oriental Pearl Stone Processing Company Limited* (萊西市東方明珠石材加工有限公司) (“**Oriental Pearl**”) during the period of 19 July 2024 to 19 January 2027 with the maximum amount of RMB28 million. On the same date, Fujing Agriculture also entered into the Litai Asset Pledge Agreement (as defined in the Announcement) to secure obligations of Qingdao Litai Building Materials Company Limited* (青島利泰建材有限公司) (“**Litai Building Materials**”) under similar terms and with the same pledged asset. As confirmed by the Bank, the aggregated claim amount under the Pledge Agreements together is RMB28 million as the same asset was pledged under the Pledge Agreements.

Each of Oriental Pearl and Litai Building Materials is a connected person of the Company and they were connected with one another. Therefore, the transaction under each of the Pledge Agreements constitutes a connected transaction for the Company and they should be aggregated as a single transaction under Rule 14.23 and Rule 14A.82 of the Listing Rules. As the highest of all applicable percentage ratios in respect of the Pledge Agreements on an aggregated basis is more than 5% but less than 25%, the transactions contemplated under the Pledge Agreements together constitutes a discloseable transaction of the Company. Therefore, the transactions are subject to notification and announcement requirements under Chapter 14 of the Listing Rules and the announcement, circular and shareholders’ approval requirements under Chapter 14A of the Listing Rules. For details, please refer to the Announcement.

However, due to inadvertent oversight, the Company did not comply with these requirements in a timely manner. For details, please refer to the Announcement. By 31 December 2025, the Company has rectified the non-compliances by terminating the Pledge Agreements.

Upon discovery and to prevent recurrence of similar non-compliance, the Company has implemented the following measures:

- (i) established a register to document and monitor all asset pledges;
- (ii) required all asset pledges to be reviewed and approved by the financial controller, the company secretary and the Board, with consultation from external legal and/or compliance advisers where appropriate. For transactions involving connected persons, the company secretary, alongside the financial controller, is now required to review and assess the implications of connected transaction requirements in Chapter 14A of the Listing Rules. All connected transactions must be approved through the use of the Company's or its subsidiaries' corporate seals following authorisation by the chief financial officer and an executive director, who is independent of the transaction;
- (iii) engaged an internal control consultant to assess the Company's internal control systems covering (1) financial reporting and disclosure procedures; and (2) compliance assessment with the Listing Rules regarding financial assistance to connected persons. The first round of review has been completed and remedial actions in response to the identified deficiencies and recommendations have been implemented. The Company has also implemented further review to assess the effectiveness of the implemented measures and/or to extend the scope of the review; and
- (iv) engaged a legal advisor to conduct training for the Company's directors and senior management (including all parties involved in the Pledge) on the notification and connected transaction requirements under Chapters 14 and 14A of the Listing Rules, with particular emphasis on asset pledges.

SCOPE OF WORK OF MCMILLAN WOODS (HONG KONG) CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this announcement have been agreed by the Group's auditor, McMillan Woods (Hong Kong) CPA Limited, to the amounts set out in the Group's draft consolidated financial statements for the year ended 31 December 2025. The work performed by McMillan Woods (Hong Kong) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by McMillan Woods (Hong Kong) CPA Limited on this annual results announcement.

PUBLICATION OF THE 2025 ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement will be published on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.fujingnongye.com). The Company's annual report for FY2025 will be despatched to the Shareholders (if requested) and published on the websites of the Stock Exchange and the Company around late April 2026. Should the Shareholders have any difficulties in accessing the corporate communications electronically, please request the printed report, free of charge, at any time by writing to the Company or Tricor Investor Services Limited, the Company's Hong Kong Branch Share Registrar and Transfer Office.

By Order of the Board
Fujing Holdings Co., Limited
Zhang Yonggang
*Chairman, Chief Executive Officer
and Executive Director*

Hong Kong, 30 March 2026

As at the date of this announcement, the Board comprises Mr. Zhang Yonggang (Chairman and Chief Executive Officer), Mr. Lyu Zhonghua, Mr. Cui Wei, Mr. Pang Jinhong and Ms. Geng Juan as executive Directors; and Mr. Lam Chik Tong, Dr. Li Junliang and Dr. Wang Wenyuan as independent non-executive Directors.

* *The English translations of terms or names in Chinese which are marked with "*" are for identification purpose only.*